

## Message Text

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PAGE 01 BUDAPE 00184 181326Z  
ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 SP-02 USIA-06 AID-05 NSC-05  
CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04  
SIL-01 DODE-00 PA-01 PRS-01 BIB-01 /083 W  
-----181331Z 079136 /53

R 181148Z JAN 77  
FM AMEMBASSY BUDAPEST  
TO SECSTATE WASHDC 7731  
INFO AMEMBASSY BERLIN  
AMEMBASSY BUCHAREST  
AMEMBASSY MOSCOW  
AMCONSUL MUNICH  
AMEMBASSY PRAGUE  
AMEMBASSY SOFIA  
AMEMBASSY VIENNA  
AMEMBASSY WARSAW  
USMISSION NATO BRUSSELS  
USMISSION EC BRUSSELS

C O N F I D E N T I A L BUDAPEST 0184

MUNICH FOR RFE

E.O. 11652: GDS  
TAGS: ECON, EFIN, EEWHT, HU  
SUBJECT: TRANSFERABLE RUBLE AND EAST-WEST TRADE

REF: (A) 76 MOSCOW 639, (B) 76 MOSCOW 031, (C) 75  
BUDAPEST 3243

1. ECONOFF JANUARY 12 QUERIED AKAR BALASSA, DEPUTY  
DEPARTMENT HEAD IN NATIONAL PLANNING OFFICE WITH CLOSE  
TIES TO CEMA, CONCERNING RECENT RUMORS THAT CEMA NOW  
DISCUSSING WAYS TO USE TRANSFERABLE RUBLE IN EAST-WEST  
TRADE. ECONOFF REFERRED TO REPORT BY UNNAMED U.S.  
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BUSINESSMAN AND TO ARTICLES IN DIE PRESSE (VIENNA)  
DATED DECEMBER 30.

2. BALASSA WOULD NZHEIJN DRAWN OUT ON SUBJECT, BUT DID  
SAY THAT SOME TIME AGO HUNGARIAN NATIONAL BANK VICE  
CHAIRMAN FEKETE HAD MADE A PROPOSAL WITHIN CEMA CON-  
CERNING USE OF TRANSFERABLE RUBLE IN EAST-WEST TRADE.

THIS PROPOSAL, HE SAID, WAS UNSATISFACTORY TO SOVIETS, WHO THEN PUT FORTH COUNTER PROPOSAL. THIS COUNTER PROPOSAL IS NOW UNDER ACTIVE CONSIDERATION, AND BALASSA RECOMMENDED THAT EMBASSY SEEK ADDITIONAL INFORMATION DIRECTLY FROM FEKETE. EMBASSY WILL DO SO WHEN APPROPRIATE.

3. COMMENT: THE GOH HAS SOUGHT TO EXPAND USE TO TRANSFERABLE RUBLE AND TO RELATE ITS VALUE MORE DIRECTLY TO WESTERN CURRENCIES (REF C). DEPUTY FINACE MINISTER IMRE VINCZE OUTLINED PROBLEMS IN DETERMINING VALUE OF TRANSFERABLE RUBLE IN MAY 1976; FOR A VALUABLE SUMMARY AND EXPLANATION SEE RFE RESEARCH BACKGROUND REPORT/187 DATED AUGUST 30, 1976. MORE RECENTLY, LENGTHY ARTICLE IN PENZUGYI SZEMLE IN DECEMBER 1976 NOTED SHORTCOMINGS IN DETERMINING "REAL" VALUE OF TRANSFERABLE RUBLE.

MUDD

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EAST WEST TRADE, FOREIGN EXCHANGE TRANSACTIONS, CONVERTIBLE FOREIGN EXCHANGE, RUBLE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 18-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BUDAPE00184  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770018-0548  
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**From:** BUDAPEST  
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**Line Count:** 79  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** e22fdbd5-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 MOSCOW 639, 76 MOSCOW 31  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 03-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3575808  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TRANSFERABLE RUBLE AND EAST-WEST TRADE  
**TAGS:** ECON, EFIN, EEW, HU, CEMA  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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